

**2012**

**THE LEGISLATIVE ASSEMBLY FOR THE  
AUSTRALIAN CAPITAL TERRITORY**

**LAND RENT AMENDMENT BILL 2012**

**EXPLANATORY STATEMENT**

Circulated by the authority of the Treasurer  
Andrew Barr MLA

## **Land Rent Amendment Bill 2012**

### **Summary**

The Land Rent Amendment Bill 2012 amends the *Land Rent Act 2008* (the Act).

### **Overview**

The Land Rent Scheme commenced on 1 July 2008 under the Act. The purpose of the scheme is to assist households to who might otherwise not be able to buy their own home to have access to the housing market through paying rent on the land rather than purchasing it.

The Land Rent Scheme has now been in place for around three years and a Post Implementation Review has been undertaken. The review was undertaken in two parts:

- a) an internal review with cross agency representation to evaluate the administrative protocols and processes between directorates. This has assisted in making improvements in information flows and processes. A number of potential legislative amendments have also been identified as part of this evaluation; and
- b) an independent external review to assess whether the original policy objectives have been met, and to identify future directions and strategies to improve the scheme.

As result of the review, a number of amendments have been identified to the Act that will improve the running of the scheme including:

- allowing Community Housing Canberra to access the Discount Rate;
- excluding Housing ACT from accessing the Scheme;
- amending the timing for lease holders to access the discount rate; and
- clarifying the procedures for ACT Revenue Office if lease holders do not hand in their paperwork by the required timeframe.

### **Commencement Date**

The Bill's amendments will be effective from the day after its notification.

## Details of the Land Rent Amendment Bill 2012

### **Part 1 Preliminary**

#### Clause 1 – Name of Act

This is a technical clause that provides the title of the Act. The name of the Act is the Land Rent Amendment Act 2012.

#### Clause 2 – Commencement

This Act commences on the day after its notification day.

#### Clause 3 – Legislation amended

This is a technical clause stating that the Act being amended is the Land Rent Act 2008 (the Act) .

#### Clause 4 – Amend section 5(1)

This clause specifically restricts the planning and land authority to not grant a land rent lease to the Territory or a Territory authority.

#### Clause 5 – New division 3.1 and new section 8A

This clause inserts a new division regarding land rent lessees generally, not affordable housing providers.

#### Clause 6 – Section 9 heading

Substitute current Section 9 heading with Meaning of lessee – div 3.1.

#### Clause 7 – Amend section 9

In this clause, it is omitted “in this part” to be substituted with “in this division:”.

#### Clause 8 – New section 12(1)

This clause inserts a new heading “Discount – decision on application” to clarify that this section deals with their application for the discount rate, rather than the general land rent application.

#### Clause 9 – Section 12(3) and note

This clause clarifies the discount rate payable will be calculated on the date the application under section 10 was received by the Commissioner.

#### Clause 10 – Omit section 13

This clause omits section 13 from the legislation.

#### Clause 11 – New section 14 (4A) and (4B)

Subsection (4A) allows for the ACT Revenue Commissioner to display discretion to extending eligibility to the discount rate should documentation be delayed.

Subsection (4B) outlines the consequences of when a lessee does not provide income documentation by the 30 September or if an extension is granted under (4A), the extended

date. The consequences are noted as, a) the total income of the lessee, or all lessees, will be taken into consideration, and b) the lessee may become ineligible for the discount rate.

Clause 12 – New division 3.2

A registered affordable housing provider will be entitled to discounted land rent through determination by the ACT Revenue Commissioner.

This clause inserts the meaning of registered affordable housing provider and states that the provider may be entitled to pay the discounted land rent for land rent lease.

Clause 13 – Substitute section 33

This clause substitutes prior text under section 33 titled ‘Objections’ to remove references to hardship and discount decisions made under section 13.

Clause 14 – Insert Part 10

This clause sets out the transition arrangements if the Commissioner has yet decided an application for discount.

Clause 15 – Dictionary, note 2

This clause inserts a new definition of ‘registered affordable housing provider’ into the dictionary.